

**A RESOLUTION
BY TRANSPORTATION COMMITTEE**

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH ATLANTA AIRLINES TERMINAL CORPORATION ("AATC") FOR THE REPLACEMENT OF CENTRAL PASSENGER TERMINAL COMPLEX ("CPTC") TERMINAL CENTRAL PLANT ("TCP") EQUIPMENT, FOR A COST TO THE CITY NOT TO EXCEED \$9,138,693.00, TO BE CHARGED TO AND PAID FROM FUND, ACCOUNT AND CENTER NUMBERS 2H27 574001 R21E013293CG (2000 AIRPORT REVENUE BOND FUND, FACILITY OTHER THAN BUILDINGS, TERMINAL PLANNING AND DESIGN); AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City"), as owner and operator of the Hartsfield-Jackson Atlanta International Airport ("the Airport"), has entered into certain Lease Agreements, dated March 22, 1978, with various airlines serving the Airport ("Contracting Airlines"), which cover the planning, design, development, construction, maintenance and operation of the Central Passenger Terminal Complex ("CPTC") at the Airport, with the City having responsibility for capital replacement items in the CPTC; and

WHEREAS, the Contracting Airlines formed AATC to manage and operate the jointly leased and common use areas of the CPTC, including mechanical plants, on behalf of the Contracting Airlines and the City; and

WHEREAS, the CPTC TCP provides heating and cooling for the Airport. The existing chiller equipment was installed and put in operation in 1979, over 27 years ago, necessitating its current overhaul and replacement; and

WHEREAS, it has also been determined that the TCP has marginal capacity to supply chilled water to CPTC expansion projects, necessitating its expansion; and

WHEREAS, the Department of Aviation desires to commence Phase II of the replacement and expansion of certain of the TCP assets, including the installation of a 2800 ton steam driven chiller, automated controls system with associated pumps and a cooling tower; and

WHEREAS, the City and AATC have determined that it is appropriate for AATC to assume responsibility for this Project and for the City to reimburse AATC for the costs of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF ATLANTA, GEORGIA, that the Mayor is authorized to execute a Reimbursable Agreement with AATC for the procurement and installation of the CPTC TCP equipment in a total amount not to exceed \$9,138,693.

BE IT FINALLY RESOLVED, that all work will be charged to and paid from Fund Account and Center Number 2H27 574001 R21E013293CG (2000 Airport Revenue Bond Fund, Facility Other Than Buildings, Terminal Planning and Design).

BE IT FURTHER RESOLVED, that the City Attorney is directed to prepare an appropriate Reimbursable Agreement for execution by the Mayor to be approved by the City Attorney as to form.

BE IT FINALLY RESOLVED, that the Reimbursable Agreement will not become binding on the City and the City will incur no liability under it until it has been executed by the Mayor, attested to by the Municipal Clerk, approved as to form by the City Attorney and delivered to AATC.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview:

Caption:

Council Meeting Date:

Requesting Dept.:

FAC Confirmed by:

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The purpose of the Legislation is to authorize a Reimbursable Agreement between the City of Atlanta and the Atlanta Airlines Terminal Corporation ("AATC") for the replacement/overhaul of certain heating and cooling infrastructure within the CPTC. The CPTC TCP provides an essential element of heating and cooling for the terminal and concourse facilities. Equipment that provides chilled water for cooling of the facilities was first put in operation in 1979 and is approaching 27 years of continuous operation.

2. Please provide background information regarding this legislation.

In 1999, as part of the Atlanta Airlines Terminal Corporation lease agreement with the City of Atlanta ("AATC"), the AATC commissioned a Facility Assessment and Condition Survey of the TCP assets, and in early 2000 the facility assessment and condition survey (Law/Gibb report) concluded that the majority of the equipment in the CPTC TCP was approaching the end of its useful life and would have to be overhauled or replaced. In addition to the Law/Gibb report of 2000, the CPTC Utilities Master Plan, Phase I of 2004, found that the TCP had marginal capacity to supply chilled water to the CPTC expansion projects and the capacity would have to be expanded by approximately 15%.

TCP equipment upgrades started in 2001 as a result of the facility assessment and condition survey, with the replacement of the two 1,100 ton absorbers, followed by the 833 ton electric chillers, steam boilers, de-aeration system, and hot water heat exchangers.

Remaining TCP assets that need to be overhaul and/or overhauled include one steam driven chiller, automated plant controls system and associated pumps, and the cooling tower. This will insure reliable cooling capacity of the CPTC facilities for the next 25 years and beyond.

3. If Applicable/Known:

- (a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):**
- (b) **Source Selection:**
- (c) **Bids/Proposals Due:**
- (d) **Invitations Issued:**
- (e) **Number of Bids:**
- (f) **Proposals Received:**
- (g) **Bidders/Proponents:**
- (h) **Term of Contract:**

4. Fund Account Center (Ex. Name and number): 2H27 574001 R21E013293CG

Fund: _____ **Account:** _____ **Center:** _____

5. Source of Funds: *Example: Local Assistance Grant*

6. Fiscal Impact: \$9,138,693.00

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number _____.

7. Method of Cost Recovery: General airport Revenue Bonds

Examples:

- a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.*
- b. Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.*

This Legislative Request Form Was Prepared By: Carl Harper

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Transportation

Chief of Staff Deadline: 8/24/07

Anticipated Committee Meeting Date(s): 9/12/07

Anticipated Full Council Date: 9/17/07

Commissioner Signature: Mod.

Chief Procurement Officer Signature: G. Dan Smith

CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH ATLANTA AIRLINES TERMINAL CORPORATION ("AATC") FOR THE REPLACEMENT OF CENTRAL PASSENGER TERMINAL COMPLEX ("CPTC") TERMINAL CENTRAL PLANT ("TCP") EQUIPMENT, FOR A COST TO THE CITY NOT TO EXCEED \$9,138,693.00, TO BE CHARGED TO AND PAID FROM FUND, ACCOUNT AND CENTER NUMBERS 2H27 574001 R21E013293CG (2000 AIRPORT REVENUE BOND FUND, FACILITY OTHER THAN BUILDINGS, TERMINAL PLANNING AND DESIGN); AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any) \$9,138,693.00

Mayor's Staff Only

Received by CPO: _____ Received by LC from CPO: _____
(date) (date)

Received by Mayor's Office: 8/27/07 N.L. Reviewed by: [Signature]
(date) (date)

Submitted to Council: _____
(date)